

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1003 be amended to read as follows:

- 1 Delete the title and insert the following:
- 2 A BILL FOR AN ACT to amend the Indiana Code concerning
- 3 taxation and to make an appropriation.
- 4 Page 4, between lines 3 and 4, begin a new paragraph and insert:
- 5 "SECTION 2. IC 6-1.1-21-5.2 IS ADDED TO THE INDIANA
- 6 CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
- 7 JULY 1, 2004]: **Sec. 5.2. (a) The following definitions apply**
- 8 **throughout this section:**
- 9 (1) "Base year" means the most recent calendar year:
- 10 (A) in which an individual qualifies and files for the credit
- 11 under this section; and
- 12 (B) that is preceded by a calendar year in which the
- 13 individual did not qualify or file for the credit under this
- 14 section.
- 15 (2) "Homestead" means an individual's principal place of
- 16 residence for which the individual receives a homestead
- 17 credit under IC 6-1.1-20.9.
- 18 (3) "Net property tax bill" means the amount of property
- 19 taxes due and payable by an individual for a particular
- 20 calendar year after the application of all deductions and
- 21 credits, except for the credit allowed under this section, as
- 22 evidenced by the tax statements prepared and mailed under
- 23 IC 6-1.1-22-8.

1 **(4) "Qualifying individual" means an individual:**

2 **(A) who is at least sixty-five (65) years of age on or before**
 3 **December 31 of the calendar year preceding the year in**
 4 **which the credit under this section is claimed; and**

5 **(B) whose adjusted gross income (as defined in**
 6 **IC 6-3-1-3.5), either individually or in combination with**
 7 **the adjusted gross income of:**

8 **(i) the individual's spouse; or**

9 **(ii) any other individual with whom the individual shares**
 10 **ownership of or is purchasing the property under**
 11 **contract as joint tenants or tenants in common;**
 12 **for the calendar year preceding the year in which the**
 13 **credit is claimed did not exceed twenty-five thousand**
 14 **dollars (\$25,000).**

15 **(b) Each year a qualifying individual is entitled to receive a**
 16 **credit against the net property tax bill on the individual's**
 17 **homestead. The amount of the credit to which a qualifying**
 18 **individual is entitled equals the difference between:**

19 **(1) the net property tax bill, before the application of the**
 20 **credit under this section, on the individual's homestead for**
 21 **the calendar year for which the credit is being claimed;**
 22 **minus**

23 **(2) the net property tax billed to the individual for that**
 24 **homestead for the individual's base year.**

25 **(c) An individual who desires to claim the credit provided by**
 26 **this section must file a certified statement in duplicate, on forms**
 27 **prescribed by the department of local government finance, with**
 28 **the auditor of the county in which the individual's homestead is**
 29 **located. The statement must be filed during the twelve (12)**
 30 **months before May 11 of the year before the first year for which**
 31 **the person wishes to obtain the credit under this section. The**
 32 **statement must contain the following information:**

33 **(1) The individual's full name and complete address.**

34 **(2) A description of the individual's homestead and the**
 35 **number of years that the individual has resided at that**
 36 **homestead.**

37 **(3) Proof of the individual's age.**

38 **(4) The name of any other county and township in which the**
 39 **individual owns or is buying real property.**

40 **(5) The source and exact amount of gross income received**
 41 **during the preceding calendar year by the individual and any**
 42 **of the following, if applicable:**

43 **(A) The individual's spouse.**

1 **(B) Any other individual with whom the individual shares**
 2 **ownership of or is purchasing the homestead under**
 3 **contract as joint tenants or tenants in common.**

4 **(6) The record number and page where the contract or**
 5 **memorandum of the contract is recorded, if the individual is**
 6 **buying the homestead on contract.**

7 **(7) Any other information requested by the department of**
 8 **local government finance.**

9 **(d) To substantiate a claim statement, an individual shall**
 10 **submit for inspection by the county auditor a copy of state income**
 11 **tax returns for the preceding calendar year for the following, as**
 12 **applicable:**

13 **(1) The individual.**

14 **(2) The individual's spouse.**

15 **(3) Any other individual with whom the individual shares**
 16 **ownership of or is purchasing the homestead under contract**
 17 **as joint tenants or tenants in common.**

18 **If an individual described in this subsection was not required to**
 19 **file a state income tax return, the individual shall state that fact**
 20 **in the claim statement.**

21 **(e) The auditor of a county with whom a statement is filed**
 22 **under this section shall immediately prepare and transmit a copy**
 23 **of the statement to the auditor of any other county if the**
 24 **individual who claims the credit owns or is buying real property**
 25 **located in the other county. The county auditor of the other**
 26 **county shall note on the copy of the statement whether the**
 27 **individual has claimed a credit under this section for a homestead**
 28 **located in the other county. The auditor shall then return the copy**
 29 **to the auditor of the first county.**

30 **(f) Upon receiving a proper credit statement, the county auditor**
 31 **shall allow the credit equally against each installment of property**
 32 **taxes to which the credit applies. The county auditor shall include**
 33 **the amount of the credit applied against each installment of taxes**
 34 **on the tax statement required under IC 6-1.1-22-8.**

35 **(g) After January 31 and before February 15 of each year, each**
 36 **county auditor shall certify to the department of local government**
 37 **finance the number and amounts of the credits allowed under this**
 38 **section for that calendar year. Upon receiving the certifications,**
 39 **the department of local government finance shall determine the**
 40 **total amount of the credits allowed in each county under this**
 41 **section and shall certify the totals to the department of state**
 42 **revenue at the same time the department of local government**
 43 **finance certifies the total county tax levies. The department of**

state revenue shall distribute to each county from the property tax replacement fund the amount of credits certified for that county by the department of local government finance at the same time and in the same manner as the department of state revenue distributes the county's estimated distribution under section 10 of this chapter. Money is annually appropriated from the property tax replacement fund in an amount necessary to make the distributions.

SECTION 3. IC 6-2.3-2-2, AS ADDED BY P.L.192-2002(ss), SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 2. The receipt of taxable gross receipts from transactions is subject to a tax rate of one and ~~four-tenths~~ **five-tenths** percent (~~1.4%~~) **(1.5%)**.

SECTION 4. IC 6-2.3-8-1, AS ADDED BY P.L.192-2002(ss), SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 1. On or before the fifth day of each month, the total amount of utility receipts tax revenues received by the department in the immediately preceding month shall be deposited **as follows:**

(1) Ninety-four percent (94%) in the state general fund.

(2) Six percent (6%) in the property tax replacement fund.

SECTION 5. IC 6-3-2-1, AS AMENDED BY P.L.192-2002(ss), SECTION 70, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 1. (a) Each taxable year, a tax at the rate of three and four-tenths percent (3.4%) of adjusted gross income is imposed upon the adjusted gross income of every resident person, and on that part of the adjusted gross income derived from sources within Indiana of every nonresident person.

(b) Each taxable year, a tax at the rate of eight and ~~five-tenths~~ **six-tenths** percent (~~8.5%~~) **(8.6%)** of adjusted gross income is imposed on that part of the adjusted gross income derived from sources within Indiana of every corporation.

SECTION 6. IC 6-3-7-3, AS AMENDED BY P.L.192-2002(ss), SECTION 83, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 3. (a) All revenues derived from collection of the adjusted gross income tax imposed on corporations shall be deposited in the state general fund.

(b) All revenues derived from collection of the adjusted gross income tax imposed on persons shall be deposited as follows:

(1) ~~Eighty-six~~ Eighty-five percent (~~86%~~) (85%) in the state general fund.

(2) ~~Fourteen~~ Fifteen percent (~~14%~~) (15%) in the property tax replacement fund.

SECTION 7. [EFFECTIVE JULY 1, 2004] **(a) IC 6-1.1-21-5.2, as added by this act, applies to credit claims filed after December 31,**

- 1 **2003.**
- 2 **(b) IC 6-1.1-21-5.2, as added by this act, applies to property**
- 3 **taxes first due and payable after December 31, 2004.**
- 4 **(c) IC 6-2.3-2-2, as amended by this act, applies to transactions**
- 5 **billed after June 30, 2004.**

1 **(d) IC 6-3-2-1, as amended by this act, applies to adjusted gross**
2 **income derived from sources in Indiana after June 30, 2004, as**
3 **determined in the manner prescribed by the department of state**
4 **revenue."**

5 Renumber all SECTIONS consecutively.
 (Reference is to HB 1003 as printed January 13, 2004.)

Representative Fry